

U-7C
3/24/11
10:00a.m.

**IBEW
Settlement Proposal
March 24th, 2011**

This proposal is part of an overall package that is submitted in an attempt to reach a settlement agreement with the City of San Jose.

In the event the City of San Jose does not accept this package proposal the IBEW reserves the right to edit, modify, or change any future proposals.

The IBEW and its membership recognize the magnitude of the fiscal shortfall that we face as an organization and we are committed to doing our part to help address these significant issues with principles of fairness to our membership once again, so that we may continue to focus on providing our quality public service to the residents of San Jose.

**IBEW/City of San Jose Negotiations
IBEW Package Proposal 3**

Term

Two (2) year term starting July 1, 2011

Wages

Undo one-time and ongoing additional retirement contributions and decrease salary by approximately 10.1%. See attached side letter for settlement with other employee units covering same time period.

Healthcare Cost Sharing

City pays eighty-five percent (85%) of the cost of the lowest priced plan.

Healthcare Co-pays

\$25 Co-pay plan

Health and Dental in Lieu

Payment in-lieu of health and/or dental insurance program.

Healthcare Dual Coverage

Simultaneously covered employees

Sick Leave Payout Reform

See Side Letter

Retirement Reform

See Side Letter

Layoff Process and Procedure

See Side Letter

SRBR

See Side Letter

Subsidy for Public Transit

See Side Letter

**IBEW/City of San Jose Negotiations
IBEW Package Proposal 3**

Period of Memorandum of Agreement

Proposed Language:

This Agreement shall become effective July 1, 2011, except where otherwise provided, and shall remain in effect through June 30, 2013. No amendment or change to the provisions of this Agreement shall be valid or binding unless reduced to writing and signed by duly authorized representative(s) of the parties.

This contract expires on June 30, 2013. It is mutually agreed that the first meeting of the parties will be held no later than fifteen (15) calendar days after the City or Association receives notice from the other, which may be any date after January 1 of the year in which the current contract terminates.

This language is intended to replace the language in:

Article 1 of the IBEW Memorandum of Agreement

This proposal is submitted in an attempt to reach a settlement. In the event the proposal is not accepted, the IBEW reserves the right to modify, amend and/or add proposals.

**IBEW/City of San Jose Negotiations
IBEW Package Proposal 3**

Wages

Proposed Language:

Effective June 26, 2011, all salary ranges for employees holding positions in classifications assigned to **[Union]** shall be decreased by approximately 10.1 %. This will result in the top and bottom of the range of all classifications represented by **[Union]** being 10.1% lower. All employees will receive a 10.1% base pay reduction.

This language is intended to replace the language in:

- *Article 5.1 through Article 5.1.6 of the IBEW Memorandum of Agreement.*

Note:

The City will "undo" one-time and ongoing additional employee retirement contributions that offset the City's retirement contribution rates and stop "one-time" base rate concessions made in Fiscal Year 2010-2011 effective June 25, 2011.

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**IBEW/City of San Jose Negotiations
IBEW Package Proposal 3**

Wages/Supplemental

In the event that the City reaches a settlement with any other employee unit covering the time period of this Agreement that has an ongoing total compensation reduction of less than ten percent (10%), in any form or manner, this agreement will reopen on the subject of total compensation and the parties will meet and confer to determine how the difference between a

10% ongoing total compensation reduction and the lesser amount agreed to with any other employee unit will be provided.

This provision will also apply in the event the City reaches a settlement which does not include the rollback of any general wage increase (not including any step and/or merit increases), as authorized by the City Council on November 25, 2010, received by any employee unit in. Fiscal

Year 2010-2011.

This provision will not apply to any changes made to any employee unit which occurs as the result of an interest arbitration award that is the result of contested issues resolved only via a full evidentiary hearing and Substantive briefing.

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**IBEW/City of San Jose Negotiations
IBEW Package Proposal 3**

Healthcare Cost Sharing

Proposed Language:

Effective pay date July 1, 2011, the City pays eighty-five percent (85%) of the cost of the lowest priced plan for the employee or the employee and dependent coverage and the employee pays fifteen percent (15%) of the premium for the lowest priced plan. If the employee selects a plan other than the lowest priced plan, the employee pays the difference between the total cost of the selected plan and the City's' contribution towards the lowest priced plan.

This language shall be added under:

- *Article 5.5.1 of the IBEW Memorandum of Agreement, (replaces current Article 5.5.1)*

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**IBEW/City of San Jose Negotiations
IBEW Package Proposal 3**

Healthcare Co-pays

Healthcare Co-Pays

Proposed Language:

Effective pay date July 1, 2011, a \$25 Co-pay plan shall be implemented for all HMO plans, including the following changes:

- a. Office Visit Co-pay shall be increased to \$25
- b. Prescription Co-pay shall be increased to \$10 for generic and \$25 for brand name
- c. Emergency Room Co-pay shall be increased to \$100
- d. Inpatient/Outpatient procedure Co-pay shall be increased to \$100

This Language shall be added under:

Article 5.5.2 of the IBEW Memorandum of Agreement, (replaces current Article 5.5.2)

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**IBEW/City of San Jose Negotiations
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Health and Dental in Lieu

Proposed Language:

Effective pay date July 1, 2011, employees who qualify for and participate in the payment in-lieu of health and/or dental insurance program will receive the following per pay period:

	Health In-lieu	Dental In-lieu
If eligible for family coverage	\$221.84	\$19.95
If NOT eligible for family coverage	\$89.09	\$19.95

A City employee who receives healthcare coverage as a dependent of another City employee or retiree shall be deemed not eligible for family coverage.

This language shall be added under:

Article 5.5.4.2 of the IBEW Memorandum of Agreement, (replaces current Article 5.5.4.2)

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**IBEW/City of San Jose Negotiations
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Healthcare Dual Coverage

Proposed Language:

An employee may not be simultaneously covered by City-provided medical benefits as a City employee and as a dependent of another City employee or retiree.

This language shall be added under:

Article 5.5.5 of the IBEW Memorandum of Agreement as a new section.

Proposed Language:

An employee may not be simultaneously covered by City-provided dental benefits as a City employee and as a dependent of another City employee or retiree.

This language shall be added under:

Article 5.6.2 of the IBEW Memorandum of Agreement as a new section.

This proposal is submitted in an attempt to reach a settlement. In the event the proposal is not accepted, the IBEW reserves the right to modify, amend and/or add proposals.

**IBEW/City of San Jose Negotiations
IBEW Package Proposal 3**

Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

And

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL NO. 332

(IBEW)

SICK LEAVE PAYOUT

The City and the International Brotherhood of Electrical Workers Local 332 (IBEW) agree to continue meeting and conferring on sick leave payout (Article 18.2 through Article 18.5) for current and future employees. The City understands that it can't unilaterally change vested benefits or benefits that already have been earned.

Either the City or IBEW may provide notice to the other of its request to meet and confer. Upon such notice, the parties shall continue these negotiations within ten (10) calendar days after the City or IBEW receives notice from the other: The City and IBEW shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached, either party may invoke the right to mediation as set forth in the applicable provisions under the Employer-Employee Relations Resolution No. 39367.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor agreement between the City and IBEW.

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Side Letter Agreement

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And

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL NO. 332

(IBEW)

RETIREMENT REFORM

The City and the International Brotherhood of Electrical Workers Local 332 (IBEW) agree to continue meeting and conferring on pension benefits for future employees and non-vested retiree healthcare benefits for current and future employees.

Either the City or IBEW may provide notice to the other of its request to continue to meet and confer. Upon such notice, the parties shall continue these negotiations within ten (10) calendar days after the City or IBEW receives notice from the other. The City and IBEW shall continue to meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached, either party may invoke the right to mediation as set forth in the applicable provisions under the Employer-Employee Relations Resolution No. 39367.

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(IBEW)

LAYOFF

The City or the International Brotherhood of Electrical Workers Local 332 (IBEW) may provide notice to the other of its request to meet and confer on modifications to the City's layoff process and procedure, including the provisions of the Layoff article in the Memorandum of Agreement. Upon such notice, the parties shall meet within ten (10) calendar days after the City or IBEW receives notice from the other. The City and IBEW shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached, either party may invoke the right to mediation as set forth in the applicable provisions under the Employer-Employee Relations Resolution No. 39367.

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(IBEW)

SUPPLEMENTAL RETIREE BENEFIT RESERVE (SRBR)

The City and the International Brotherhood of Electrical Workers Local 332 (IBEW) agree to discuss the Supplemental Retiree Benefit Reserve (SRBR) program in the Federated City Employees' Retirement System.

Either the City or (IBEW) may provide notice to the other of its request to discuss the SRBR program. Upon such notice, the parties shall continue these discussions within ten (10) calendar days after the City or (IBEW) receives notice from the other.

To the extent that any change to the SRBR program is a mandatory subject of bargaining, the City and IBEW shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached on those issues that are a mandatory subject of bargaining, either party may invoke the right to mediation as set forth in the applicable provisions under the Employer-Employee Relations Resolution No. 39367

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(IBEW)

SUBSIDY FOR PUBLIC TRANSIT

The City and the International Brotherhood of Electrical Workers Local 332 (IBEW) agree to discuss the programs available to employees that provide subsidy for public transit. Discussions shall include, but not be limited to, modifications to the programs, voucher amounts and elimination of the programs.

Either the City or IBEW may provide notice to the other of its request to discuss the programs available to employees that provide subsidies for public transit. Upon such notice, the parties shall continue these discussions within ten (10) calendar days after the City or IBEW receives notice from the other.

To the extent that any change to the programs may be a mandatory subject of bargaining, the City and IBEW shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached on those issues that are a mandatory subject of bargaining, either party may invoke the right to mediation as set forth in the applicable provisions under the Employer-Employee Relations Resolution No. 39367

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